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ABSTRACT

Information on federal student aid recipients by income, undergraduate and graduate level, and financial dependency status is presented for Pell Grants, campus-based programs, and Guaranteed Student Loans (GSL). Income data are reported for all aid recipients and for financially dependent and independent students for 1983-1984 and for 1976-1977, 1979-1980, and 1983-1984. Inflation adjustments are made by converting income and award figures to 1984 dollars (i.e., the purchasing power of these dollars in 1984). The three campus-based programs are Supplemental Educational Opportunity Grants, College Work Study aid, and National Direct Student Loans. Highlights include: most of Pell Grant aid went to students with relatively low incomes; 11% of Pell Grant recipients came from families earning more than $20,000 annually (accounting for 7% of the funds awarded); 48% of Pell Grant recipients were financially independent; in all three campus-based programs, about a fifth of the funds went to dependent students from families in the $18,000-$30,000 income range; slightly more than 10% of the funds in each campus-based program went to students from families with incomes over $30,000; and in 1983, 65% of GSL borrowers were financially dependent and 35% were independent. Acronyms and definitions are included. (SW)

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Who Receives Federal Student Aid?

Washington Office of The College Board

February 1986

College Entrance Examination Board, New York

The College Board

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FOREWORD

Anyone interested in evaluating student assistance is hampered by the lack of basic information on amounts awarded from federal, state, and institutional sources. A recent Chronicle of Higher Education story described "the paucity of statistics" and the problems this presents for reseachers and policy makers attempting to help students finance higher education.*

As the Chronicle noted, the U. S. Department of Education is preparing to launch a $7 million study of how people pay for college, a study designed to be more comprehensive than anything the federal government has ever attempted in this area. At best, however, results of the study will not be available until late 1987; at worst, completion of the study could be jeopardized by budget cuts mandated by the new deficit reduction law ("Gramm-Rudman-Hollings"). Meanwhile, we must continue to make do with data on student aid that are fragmentary, scattered, and often not comparable from year to year or program to program.

In an effort to create a readily accessible source of basic information that would be as uniform and accurate as existing statistics allow, the Washington Office of the College Board published Trends in Student Aid: 1963 to 1983** several years ago and periodically produces updates as later information becomes available. For federal student assistance programs authorized under Title IV of the Higher Education Act--which account for the lion's share of all aid available to students--Trends reported not only the overall levels of aid available but also the average amounts of aid students received and the kinds of postsecondary institutions they attended.

The present report supplements that effort by presenting data on federal student aid recipients by income. We used Department of Education program statistics so we could present comparable information over a number of years. Unfortunately, the Department does not routinely gather statistics on other potentially interesting characteristics of recipients (race, sex, state of residence, age, etc.) that would give a fuller picture of who receives federal student aid.

These data by themselves do not tell a story. They will sometimes be useful as factual starting points for debate; in other instances they will be only a few among many pieces of information that will have to be brought together to determine how student aid works, what it has accomplished, and how it might need to be changed.

At various times, for example, the Administration has suggested imposing income limits on the student aid programs. Debate over such proposals would be more fruitful if it could be based on commonly-accepted statistics about who gets student aid now. Similarly, Congress has recently been concerned about the distribution of funds in the Supplemental Educational Opportunity Grant Program (SEOG) and requested the General Accounting Office (GAO) to produce a report on this subject. The GAO study*** presented data on SEOG recipients by income and type of institution attended (by type of control and by cost) as well as looking at the overlap between Pell Grant and SEOG recipients, based on surveys done by several higher education associations for academic year 1983-84. The present report adds to the GAO analysis by looking

at the distribution of SEOG benefits over time and by adjusting income levels of recipients in the years being studied to take account of inflation.

Before conclusions can be reached, however, from such basic statistics about this or any of the federal programs, other factors have to be added to the mix. Consideration has to be given to such things as the effect of inflation and rising college costs on the number of students who qualify for need-based financial aid, the major changes that have occurred in various parts of the student aid system, and the way institutions combine the numerous sources of financial assistance in preparing student aid "packages."

The report was prepared by the staff of the Washington Office. Research Assistants Meg Lanchantin and Lynn Quincy deserve special mention for their efforts in collecting the data and preparing tables; secretary Diane Erving ably assisted in production of the final manuscript.

Janet S. Hansen
Director for Policy Analysis

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*Stacey E. Palmer, "How Many Students Got Aid from U.S.? Nobody Knows, and That's Worrisome," The Chronicle of Higher Education, January 22, 1986, p. 13.

**Donald A. Gillespie and Nancy Carlson, Trends in Student Aid: 1963 to 1983 (Washington, D.C.: The College Board), 1983.

***United States General Accounting Office, SEOG Funds: Information on the Distribution of SEOG Funds to Students, A Briefing Report to Congressional Requestors (Washington, D.C.: GAO), November 1985, report number GAO/PEMD-86-01BR.

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INTRODUCTION

This report presents basic statistical information on who receives aid from the major federal assistance programs authorized under Title IV of the Higher Education Act. It answers, to the extent possible with data on program recipients gathered by the Department of Education, the questions:

Who, in the most recent year we know about, receives federal student aid: by income, by graduate or undergraduate level, and by financial dependency status?

How has the distribution of federal aid changed over time, or has it?

The data are limited in significant ways. Statistics for the three major categories of federal programs (Pell Grants, the so-called campus-based programs, and the Guaranteed Student Loan program) are collected separately and cannot be combined. Not all data are available for comparable categories of recipients or for all years. "Up-to-date" data--that is, data for the most recent year available--are already several years old. Even with these limitations, we believe that the information contained in this report can serve as a useful factual base about federal efforts to provide financial assistance to college students.

The report is organized in sections by program--Pell Grants, campus-based aid, Guaranteed Student Loans--with a final section on acronyms, definitions, notes, and sources. We call the reader's attention especially to the definitions of income discussed in that last section. Looking at the distribution of student aid by income is critical in determining who program beneficiaries are, but definitions of income are not identical in all programs and readers need to keep the differences in mind.

Information on Pell Grants and campus-based aid is presented in roughly comparable formats: first data on the most recent year available (in "current" dollars, or dollars unadjusted for inflation) and then data over time, adjusted for inflation so that comparisons can be made about distributions by income levels of equal purchasing power. Where inflation-adjusted data are presented, they are presented in "constant 1984 dollars," meaning the equivalent purchasing power in 1984 terms.

In presenting Pell Grant and campus-based aid data over time, we tried to select analytically-interesting years. Detailed statistics for Pell Grants are reported for academic year 1976-77, the first year all four classes of undergraduates were eligible to participate; for 1979-80, the first year the Middle Income Student Assistance Act (MISAA) of 1978 with its expanded eligibility provisions was in effect; and for 1983-84, the most recent year for which data are available. For the campus-based programs, statistics are reported for 1972-73, the last year before Pell Grants were first awarded; for 1979-80, again reflecting the implementation of MISAA; and for 1982-83, the last year of available data. Charts 1 and 2 on the distribution of Pell Grant and campus-based aid recipients respectively by income for all years since the early 1970s show that these selected years are useful ones in tracking changes in the programs.

To give readers a context in which to place the income breakdowns in this report, Table 1 presents median U. S. family income in dollars unadjusted (current) and adjusted (constant) for inflation for all the years covered in the analysis. Moreover, Table 1 presents two versions of median family income, the one most commonly used and one that may be more relevant when considering student aid. The first is median family income for all families. The second is median family income for families with heads of household aged 45-54. The latter is higher than the former, illustrating the fact that, for families sending dependent children to college, the years of college enrollment are often the years when the family's income is at its peak. If one is concerned, for example, about the number of financially-dependent Pell Grant recipients whose families earn above the median, it may be more appropriate to look at a median income standard that covers only families with wage-earners old enough to have college-age children, rather than including families who are very young or very old and who have comparatively low incomes. We again encourage the reader to consult the section on definitions for a fuller explanation of the comparability of median family income statistics and the other income statistics cited in this report.

Finally, we include comparatively scant information on the Guaranteed Student Loan program, because data by income are only available for fiscal year 1983.

TABLE 1

Median U.S. Family Income, 1971 to 1984

	All Families		Families with Head Aged 45-54	
	Current Dollars	Constant 1984 Dollars	Current Dollars	Constant 1984 Dollars
1971	$10,258	$26,309	$12,896	$33,075
1972	11,116	27,599	14,056	34,899
1973	12,051	28,167	15,223	35,581
1974	12,902	27,175	16,709	35,194
1975	13,719	26,476	17,569	33,906
1976	14,958	27,293	19,037	34,736
1977	16,009	27,440	20,832	35,707
1978	17,640	28,085	22,615	36,006
1979	19,587	28,029	25,351	36,277
1980	21,023	26,500	27,257	34,358
1981	22,388	25,569	29,225	33,377
1982	23,433	25,216	30,727	33,065
1983	24,580	25,626	32,592	33,979
1984	26,433	26,433	34,482	34,482

Source: see page 23.

PELL GRANTS

Table 2 provides summary statistics for the Pell Grant program in 1983-84. In that year, 2.8 million undergraduate students received $2.8 billion dollars in Pell Grants. Most of this aid went to students from families with relatively low incomes. Only 11 percent of Pell Grant recipients came from families earning more than $20,000 annually; these students received only 7 percent of the funds awarded.

Almost half of Pell Grant recipients in 1983-84 (48 percent) were financially independent students; they received 48 percent of the Pell dollars awarded. Almost 80 percent of these students had incomes below $6,000 and the rest fell below $15,000.

Overall, the average Pell grant was $998 in 1983-84. Average grant levels declined as incomes increased, from $1,110 for students with family incomes below $6,000 to $482 for students with family incomes above $30,000.

Chart 1 and Tables 3, 4, and 5 show trends in the program both over time and adjusted for inflation. Chart 2 illustrates the percentage distribution of Pell grant recipients by income for each year for which data are available. The three tables contain Pell data by income for three selected years and cover dependent, independent, and all Pell Grant recipients respectively. Inflation ajustments are made by converting income and award figures to 1984 dollars; i.e., the purchasing power of these dollars in 1984.

After increasing by 38 percent between 1976-77 and 1979-80, the total number of Pell Grants awarded grew by only 4 percent between 1979-80 and 1983-84. Likewise, dollars awarded increased 63 percent between 1976-77 and 1979-80 and by only 19 percent between 1979-80 and 1983-84. After adjusting for inflation, the earlier period saw an increase in the value of the dollars awarded of 23 percent and the latter period a decline of 10 percent.

The overall figures mask a significant shift in the proportions of financially dependent and independent students receiving Pell Grants. Dependent student recipients decreased from 1.8 million in 1979-80 to 1.5 million in 1983-84. Their share of Pell assistance dropped from $1.6 billion to $1.5 billion, a decline of 29 percent in real value after adjusting for inflation.

Meanwhile, there was a large (78 percent) increase in the number of independent students receiving Pell Grants between 1976-77 and 1983-84, though they dropped temporarily as a percent of all recipients in 1979-80 because of the large jump in dependent recipients in that year due to MISAA. Between 1976-77 and 1983-84, independent students' share of Pell Grant dollars grew from 38 to 48 percent.

The share of Pell Grants going to lower-income students (here defined as students from families with incomes below $15,000 in inflation-adjusted 1984 dollars) diminished noticeably in 1979-80, thanks to increased eligibility of higher-income dependent students as a result of MISAA. By 1983-84, however, the program again benefitted primarily this lower-income group, because of both legislative changes and the effects of inflation on student eligibility.

In this latter year, only 9 percent of Pell funds awarded to dependent students went to individuals whose families earned more than $25,000 in inflation-adjusted 1984 incomes; virtually no independent recipients had incomes this high. In fact, in all three years in Tables 3, 4, and 5, about 94 percent of all independent recipients came from the under-$15,000 income group.

Average award levels by income are not available for 1976-77, but they show a drop in the inflation-adjusted value of awards at all income levels between 1979-80 and 1983-84. The average value of Pell awards fell 14 percent for dependent students and 13 percent for independent students over this period. For both dependent and independent students, the inflation adjusted value of average grants dropped less precipitously for students in the lowest income group than for students with higher family incomes.

TABLE 2

Pell Grant Statistics

1983-84

(current dollars)

	Dependents		Independents		Total	
Number of recipients by income (percent of total in parentheses)						
Less than $6,000	350,568	(12.5)	943,566	(33.7)	1,294,123	(46.2)
$6,000 - $15,000	575,383	(20.6)	349,636	(12.5)	925,019	(33.0)
$15,000 - $20,000	254,490	(9.1)	33,057	(1.2)	287,547	(10.3)
$20,000 - $30,000	256,220	(9.1)	3,413	(0.1)	259,633	(9.3)
More than $30,000	35,913	(1.3)	81	(*)	35,995	(1.3)
Total	1,472,574	(52.6)	1,329,743	(47.5)	2,802,317	(100.0)
Dollars awarded by income (in thousands--percent of total in parentheses)						
Less than $6,000	$416,127	(14.8)	$1,020,706	(36.4)	$1,436,574	(51.4)
$6,000 - $15,000	641,949	(22.9)	294,084	(10.5)	936,242	(33.5)
$15,000 - $20,000	222,859	(8.0)	15,951	(0.6)	238,827	(8.5)
$20,000 - $30,000	165,154	(6.0)	1,452	(0.1)	166,633	(6.0)
More than $30,000	17,329	(0.6)	32	(*)	17,367	(0.6)
Total	$1,463,418	(52.3)	$1,332,225	(47.7)	$2,795,643	(100.0)
Average award levels by income						
Less than $6,000	$1,187		$1,082		$1,110	
$6,000 - $15,000	1,116		841		1,012	
$15,000 - $20,000	876		483		831	
$20,000 - $30,000	645		425		642	
More than $30,000	483		395		482	
Total	$ 994		$1,002		$ 998	

*Less than .05.

Source: see page 23.

CHART 1: Distribution of Pell Grant Recipients By Family Income 1973–74 to 1983–84

In Constant (Inflation-adjusted) 1984 Dollars

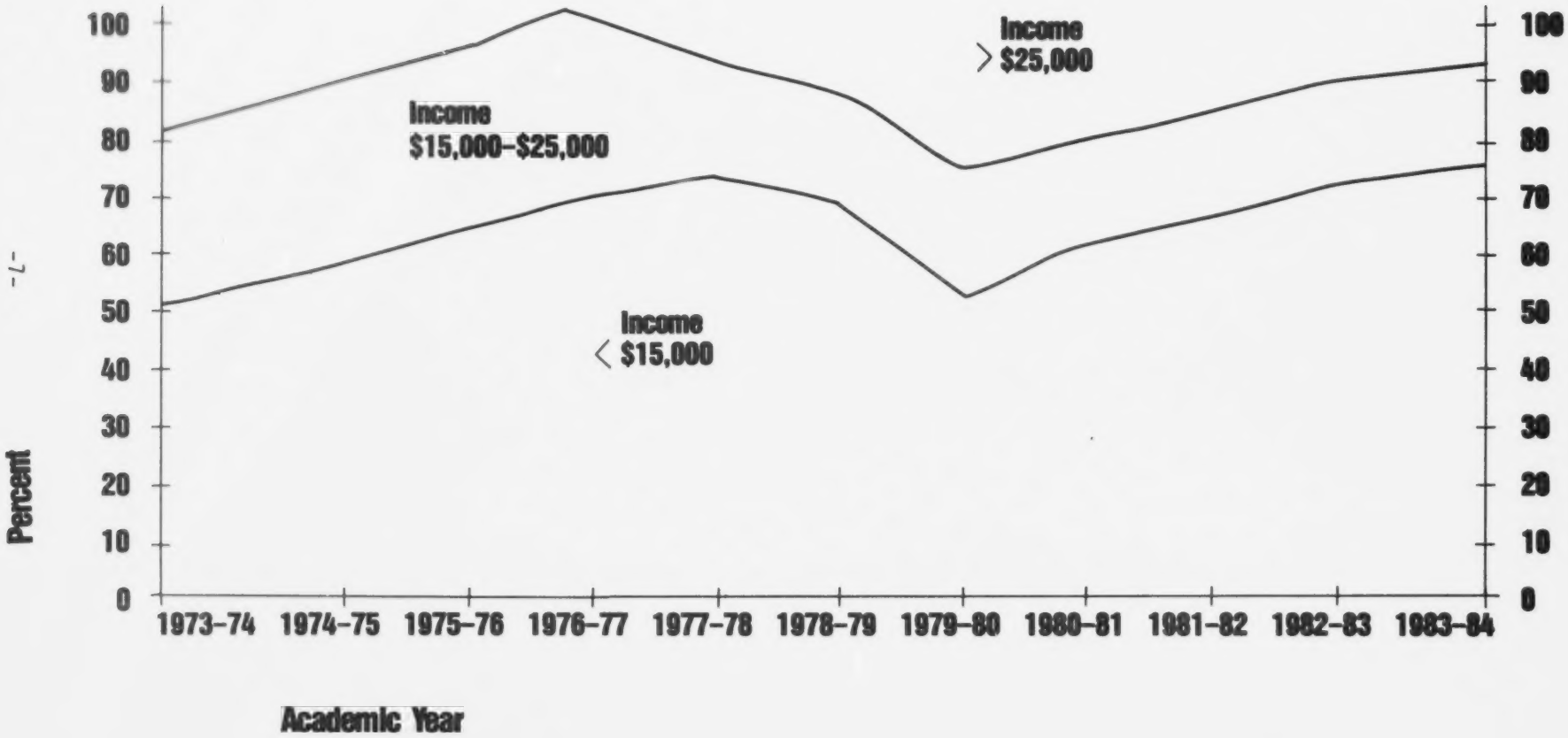

TABLE 3

Pell Grant Statistics by Income for Dependent Recipients for Selected Years

	1976-77	1979-80	1983-84
Number and dollar amount of awards going to dependent students			
Number of awards	1,199,507	1,779,991	1,472,574
(percent of total)	(61.7)*	(66.2)	(52.6)
Dollars awarded (in thousands)			
Current dollars	n/a	$1,562,531	$1,463,418
Constant 1984 dollars	n/a	$2,089,868	$1,494,647
(percent of total)	n/a	(66.3)	(52.3)
Distribution of recipients by income (1984 dollars)			
Less than $15,000	54.8%*	35.3%	58.3%
$15,000 - $25,000	45.2*	26.3	27.4
More than $25,000		38.4	14.3
Total	100.0%	100.0%	100.0%
Distribution of funds by income (1984 dollars)			
Less than $15,000	n/a	41.6%	67.5%
$15,000 - $25,000	n/a	28.5	23.7
More than $25,000	n/a	29.9	8.8
Total	n/a	100.0%	100.0%
Average award levels by income (1984 dollars)			
Less than $15,000	n/a	$1,385	$1,172
$15,000 - $25,000	n/a	1,273	881
More than $25,000	n/a	912	630
Total	n/a	$1,174	$1,015

*Pell data for 1976-77 are for qualified applicants rather than recipients.

Source: see page 23.

TABLE 4

Pell Grant Statistics by Income for Independent Recipients for Selected Years

	1976-77	1979-80	1983-84
Number and dollar amount of awards going to independent students			
Number of awards	746,165	907,500	1,329,743
(percent of total)	(38.3)*	(33.8)	(47.5)
Dollars awarded (in thousands)			
Current dollars	n/a	$795,255	$1,332,225
Constant 1984 dollars	n/a	$1,063,645	$1,360,654
(percent of total)	n/a	(33.7)	(47.7)
Distribution of recipients by income (1984 dollars)			
Less than $15,000	93.0%*	92.9%	95.0%
$15,000 - $25,000	7.0*	6.8	4.8
More than $25,000		0.3	0.2
Total	100.0%	100.0%	100.0%
Distribution of funds by income (1984 dollars)			
Less than $15,000	n/a	95.4%	96.9%
$15,000 - $25,000	n/a	4.5	2.9
More than $25,000	n/a	**	**
Total	n/a	100.0%	100.0%
Average award levels by income (1984 dollars)			
Less than $15,000	n/a	$1,203	$1,045
$15,000 - $25,000	n/a	770	627
More than $25,000	n/a	630	433
Total	n/a	$1,172	$1,023

*Pell data for 1976-77 are for qualified applicants rather than recipients.

**Less than .05.

Source: see page 23.

TABLE 5

Pell Grant Statistics by Income for All Recipients for Selected Years

	1976-77	1979-80	1983-84
Number and dollar amount of awards going to all students			
Number of awards	1,945,672	2,687,491	2,802,317
Dollars awarded (in thousands)			
Current dollars	$1,450,017	$2,357,786	$2,795,643
Constant 1984 dollars	$2,565,986	$3,153,513	$2,855,301
Distribution of recipients by income (1984 dollars)			
Less than $15,000	69.4%*	54.8%	75.7%
$15,000 - $25,000	30.6*	19.7	16.7
More than $25,000		25.5	7.6
Total	100.0%	100.0%	100.0%
Distribution of funds by income (1984 dollars)			
Less than $15,000	n/a	59.8%	81.5%
$15,000 - $25,000	n/a	20.4	13.9
More than $25,000	n/a	19.8	4.7
Total	n/a	100.0%	100.0%
Average award levels by income (1984 dollars)			
Less than $15,000	n/a	$1,281	$1,096
$15,000 - $25,000	n/a	1,213	845
More than $25,000	n/a	911	628
Total	n/a	$1,173	$1,019

*Pell data for 1976-77 are for qualified applicants rather than recipients.

Source: see page 23.

CAMPUS-BASED PROGRAMS

As shown in Table 6, 2 million awards and $1.6 billion in aid was given to students in 1982-83 through the three "campus-based" programs: Supplemental Educational Opportunity Grants (SEOG), College Work Study (CWS), and National Direct Student Loans (NDSL). These 2 million awards went to nearly 1.4 million students, reflecting the fact that many students received assistance from more then one of these programs.

In all three campus-based programs, about a fifth of the funds went to dependent students from families in the $18,000-30,000 income range. Slightly more than 10 percent of the funds in each program were received by students from families with incomes in excess of $30,000.

Independent undergraduate students, for whom no income breakdowns are available, were most heavily represented in the SEOG program, where they accounted for 33 percent of the beneficiaries and received 30 percent of the funds awarded. They received a somewhat lesser share of funds available in the other two programs. Graduate students are ineligible for SEOGs; in 1982-83 they represented 5 percent of the recipients and 9 percent of the dollars available in CWS and 9 percent of the recipients and 17 percent of the dollars available in NDSL.

Graduate students received by far the highest average awards in CWS and NDSL: over $1,500 in each program. Undergraduate awards in these programs ranged between $700 and $950, depending on family income and dependent/independent status. SEOG awards were lower on average, ranging between $488 and $631.

In NDSL and SEOG, average awards for dependent undergraduates tended to rise with income, with most noticeably in SEOG. This pattern probably reflects these students' disproportionate enrollment in independent colleges with higher costs and the fact that they may not qualify for Pell Grants, though they do show financial need.

Chart 2 and Tables 7, 8, 9, and 10 illustrate trends over time and statistics adjusted for inflation. The tables treat the three campus-based programs separately and then combined, including an updduplicated count of the number of program recipients. The chart and tables describe only financially dependent undergraduate students and their aid, because data on the distribution by income is available just for this group.

The number of SEOG awards made to and the dollars available for dependent undergraduates both increased between 1972-73 and 1979-80 (47 percent and 68 percent respectively) and then levelled off, though this group's share of total SEOG awards and dollars declined after 1972-73 because of greater participation in the program by financially independent undergraduates. Despite the almost level funding for dependent undergraduates between 1979-80 and 1982-83, the inflation-adjusted (in 1984 dollars) value of SEOG awards to this group decreased by 19 percent.

Since 1972-73 the distribution of SEOGs has shifted up the income scale, when incomes are adjusted for inflation. In 1972-73 virtually no students

with family incomes above $25,000 (in 1984 dollars) received SEOGs (though program data not included in this report indicate that over 10 percent of SEOG recipients came from such families in the late 1960s). By 1979-80 about a third of SEOG dependent undergraduate recipients were from this group, and they received about one-third of the funds going to dependent undergraduates. The shift, as would be expected, paralled the implementation of the Pell Grant program beginning in 1973, which met the basic needs of lower-income students previously served only by the campus-based programs. Between 1979-80 and 1982-83 the percentage distribution of SEOG recipients and dollars awarded by income remained virtually unchanged.

Average SEOG awards to dependent undergraduate students declined in value by more than half for all income groups between 1972-73 and 1982-83.

In the CWS program, the number of participating dependent undergraduates increased 54 percent between 1972-73 and 1979-80 but then declined 16 percent between 1979-80 and 1982-83. The amount these students earned rose continuously over these two time periods before adjusting for inflation, by 88 percent and 8 percent respectively. After adjusting for inflation, however, the 1979-80 to 1982-83 period actually saw a 15 percent decline.

Like SEOG (and NDSL, too, as we shall see), CWS earnings have shifted up the income scale (adjusted for inflation) since 1972-73, with shifts occurring before 1979-80 and with some reversal since then. In 1982-83 funds were relatively evenly divided between the lowest (37 percent), middle (25 percent), and highest (38 percent) income groups. A decade earlier, before Pell Grants, students from the lowest-income group ($15,000 and below in 1984 dollars) received about half of the CWS dollars earned by dependent undergraduates.

In inflation-adjusted dollars, average CWS earnings declined between 1972-73 and 1979-80, but they increased slightly for the two lowest income groups between 1979-80 and 1982-83, while continuing to drop for students from families with incomes above $25,000.

NDSLs to dependent undergraduates grew least among the campus-based programs between 1972-73 and 1979-80: 13 percent more awards and 23 percent more dollars. Between 1979-80 and 1982-83 both dropped: 24 percent fewer loans and 2 percent fewer dollars. The inflation-adjusted decline in the latter period in the value of loans going to dependent undergraduates was 22 percent. As in SEOG and CWS, the share of total NDSL awards and dollars going to dependent undergraduates declined after 1972-73 as the participation of other groups (independent undergraduates, graduate students) expanded. Unlike SEOG, however, both CWS and NDSL saw a slight reversal of this trend between 1979-80 and 1982-83.

As with the other campus-based programs, higher income students benefited more from NDSL in 1982-83 than they had a decade earlier, though their share of this program had slipped noticeably from its 1979-80 levels. The average inflation-adjusted value of loans declined for all income groups between 1972-73 and 1982-83. In the case of NDSLs, this decline ranged from 37 to 40 percent, depending on the income group considered.

For all campus-based aid combined, the number of dependent undergraduate students receiving benefits from one or more of the programs increased by 39 percent between 1972-73 and 1979-80 and then declined 18 percent between

1979-80 and 1982-83. Total campus-based aid dollars increased 54 percent in the first period and 3 percent in the second; after adjusting for inflation the first period saw a 15 percent decline and the second a drop of 19 percent. The proportion of aid going to dependent undergraduates whose families earned above $25,000 annually grew from 1972-73 to 1979-80 and then dropped back somewhat, though not to earlier levels. Average awards declined in real value by about 40 percent for all income groups over the decade.

TABLE 6

Campus-Based Program Statistics 1982-83

	SEOG		CWS		NDSL	
Number of recipients by income (percent of total in parentheses)						
Dependent undergraduate						
Less than $6,000	77,038	(12.1)	88,650	(12.3)	55,989	(8.3)
$6,000 - $12,000	83,593	(13.1)	86,339	(12.0)	66,784	(9.9)
$12,000 - $18,000	83,663	(13.2)	90,361	(12.5)	78,947	(11.7)
$18,000 - $30,000	126,058	(19.8)	159,445	(22.1)	149,126	(22.2)
More than $30,000	55,559	(8.7)	92,892	(12.9)	85,391	(12.7)
Independent undergraduate	209,239	(32.9)	164,915	(22.9)	174,890	(25.9)
Graduate	**	**	37,874	(5.3)	62,927	(9.3)
Total	635,691*	(100.0)	720,978*	(100.0)	674,054	(100.0)
Dollars received by income (in thousands--percent of total in parentheses)						
Dependent undergraduate						
Less than $6,000	$37,585	(11.0)	$66,603	(10.6)	$40,736	(6.8)
$6,000 - $12,000	43,700	(12.7)	75,052	(11.9)	51,776	(8.7)
$12,000 - $18,000	47,676	(13.9)	74,939	(11.9)	63,951	(10.7)
$18,000 - $30,000	76,329	(22.3)	128,303	(20.4)	123,615	(20.8)
More than $30,000	35,042	(10.2)	71,086	(11.3)	70,998	(11.9)
Independent undergraduate	102,232	(29.8)	156,546	(24.8)	145,903	(24.5)
Graduate	**	**	57,484	(9.1)	98,208	(16.5)
Total	$342,914*	(100.0)	$630,308*	(100.0)	$595,188	(100.0)
Average benefit levels by income						
Dependent undergraduate						
Less than $6,000	$488		$751		$728	
$6,000 - $12,000	523		869		775	
$12,000 - $18,000	570		829		810	
$18,000 - $30,000	606		805		829	
More than $30,000	631		765		831	
Independent undergraduate	489		949		834	
Graduate	**		1,518		1,561	
Total	$539		$874		$883	

*Includes a small amount of recipients awards who are less than half-time.
**Graduates not eligible for SEOG.
Source: see page 23.

CHART 2: Distribution of Campus-Based Aid Recipients (Dependent Undergraduates) By Family Income 1971–72 to 1982–83

In Constant (Inflation-adjusted) 1984 Dollars

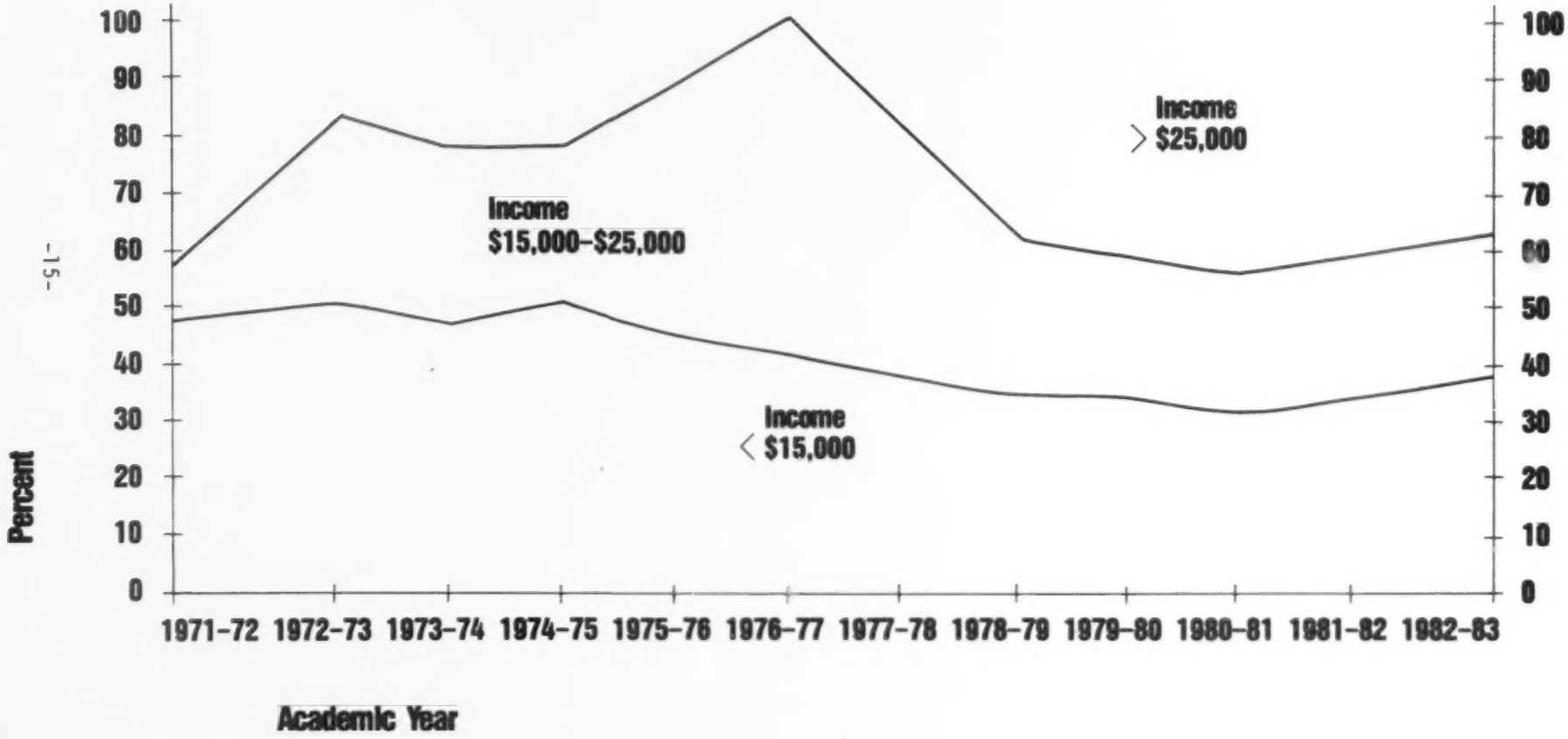

TABLE 7

SEOG Statistics by Income for Dependent Undergraduates for Selected Years

	1972-73	1979-80	1982-83
Number of recipients and dollars received			
Number of recipients	284,986	419,135	425,911
(percent of total SEOG)	(85.7)	(69.2)	(67.0)
Dollars received (in thousands)			
Current dollars	$139,819	$234,902	$240,332
Constant 1984 dollars	$339,296	$314,179	$254,224
(percent of total SEOG)	(85.1)	(69.9)	(70.1)
Distribution of recipients by income (1984 dollars)			
Less than $15,000	70.0%	40.9%	41.4%
$15,000 - $25,000	28.8	26.3	26.6
More than $25,000	1.2	32.8	32.0
Total	100.0%	100.0%	100.0%
Distribution of funds by income (1984 dollars)			
Less than $15,000	68.2%	38.4%	37.6%
$15,000 - $25,000	30.3	26.3	27.5
More than $25,000	1.5	35.3	34.9
Total	100.0%	100.0%	100.0%
Average grants by income (1984 dollars)			
Less than $15,000	$1,161	$704	$541
$15,000 - $25,000	1,252	752	617
More than $25,000	1,461	805	652
Total	$1,191	$750	$597

Source: see page 23.

TABLE 8

CWS Statistics by Income for Dependent Undergraduates for Selected Years

	1972-73	1979-80	1982-83
Number of recipients and dollars earned			
Number of recipients	398,638	612,553	517,687
(percent of total CWS)	(80.2)	(66.2)	(71.8)
Dollars earned (in thousands)			
Current dollars	$205,903	$386,263	$415,983
Constant 1984 dollars	$499,660	$516,623	$440,028
(percent of total CWS)	(77.5)	(64.2)	(66.0)
Distribution of recipients by income (1984 dollars)			
Less than $15,000	48.1%	35.8%	37.1%
$15,000 - $25,000	34.9	24.2	24.9
More than $25,000	17.0	40.1	38.0
Total	100.0%	100.0%	100.0%
Distribution of funds by income (1984 dollars)			
Less than $15,000	50.7%	34.7%	37.5%
$15,000 - $25,000	33.2	24.2	25.5
More than $25,000	16.1	41.1	37.0
Total	100.0%	100.0%	100.0%
Average earnings by income (1984 dollars)			
Less than $15,000	$1,322	$819	$858
$15,000 - $25,000	1,193	843	872
More than $25,000	1,184	866	827
Total	$1,253	$843	$850

Source: see page 23.

TABLE 9

NDSL Statistics by Income for
Dependent Undergraduates for Selected Years

	1972-73	1979-80	1982-83
Number of recipients and dollars loaned			
Number of recipients	511,856	576,852	436,237
(percent of total NDSL)	(77.9)	(60.2)	(64.7)
Dollars loaned (in thousands)			
Current dollars	$291,044	$356,767	$351,077
Constant 1984 dollars	$706,270	$477,172	$371,369
(percent of total NDSL)	(72.3)	(54.8)	(59.0)
Distribution of recipients by income (1984 dollars)			
Less than $15,000	40.2%	28.1%	31.6%
$15,000 - $25,000	31.2	23.9	26.5
More than $25,000	28.6	48.0	42.0
Total	100.0%	100.0%	100.0%
Distribution of funds by income (1984 dollars)			
Less than $15,000	37.1%	27.6%	29.8%
$15,000 - $25,000	32.6	23.4	26.9
More than $25,000	30.3	49.0	43.3
Total	100.0%	100.0%	100.0%
Average loan by income (1984 dollars)			
Less than $15,000	$1,274	$813	$804
$15,000 - $25,000	1,441	808	867
More than $25,000	1,462	845	877
Total	$1,380	$827	$851

Source: see page 23.

TABLE 10

Total Campus-Based Program Statistics by Income for Dependent Undergraduates for Selected Years

	1972-73	1979-80	1982-83
Number and dollar amount of awards			
Number of awards*	799,029	1,112,999	916,194
(percent of total campus-based)	(77.1)	(59.9)	(66.6)
Dollars awarded (in thousands)			
Current dollars	$636,766	$977,932	$1,007,391
Constant 1984 dollars	$1,545,225	$1,307,974	$1,065,622
(percent of total campus-based)	(76.5)	(61.6)	(64.2)
Distribution of recipients by income* (1984 dollars)			
Less than $15,000	49.9%	34.4%	36.7%
$15,000 - $25,000	31.9	24.6	25.9
More than $25,000	18.2	41.0	37.4
Total	100.0%	100.0%	100.0%
Distribution of funds by income (1984 dollars)			
Less than $15,000	48.3%	33.0%	34.8%
$15,000 - $25,000	32.3	24.4	26.5
More than $25,000	19.4	42.6	38.7
Total	100.0%	100.0%	100.0%
Average award levels by income (1984 dollars)			
Less than $15,000	$1,251	$781	$733
$15,000 - $25,000	1,310	805	790
More than $25,000	1,375	845	799
Total	$1,293	$813	$772

*Unduplicated total of recipients.

Source: see page 23.

GUARANTEED STUDENT LOANS

Information on who benefits from Guaranteed Student Loans is sketchy. Data on the income levels of borrowers were not collected until 1982, and are not complete enough for that year to be useful. Data for fiscal year 1983 are limited to students whose loans were insured through state guarantee agencies (thus omitting about 154,000 students who borrowed through the Federally Insured Student Loan program), do not distinguish between undergraduate and graduate/professional students, and do not provide information on amounts borrowed by income level.

In fiscal year 1983, about 2.9 million students received Guaranteed Student Loans. Sixty-five percent of these borrowers were financially dependent on their families, while 35 percent were financially independent. Among dependent students, 35 percent were from families with incomes below $15,000, while 32 percent were from families with incomes over $30,000. Among independent students these percentages were 49 and 10, respectively. Overall, 40 percent of GSL borrowers were from families with incomes below $15,000, while 25 percent had incomes exceeding $30,000. Incomes were unknown for 8.8 percent of borrowers.

The data are based on information submitted by the guarantee agencies on their end of the year summary of loan guarantees or "tape dump." Five agencies (Massachusetts, Michigan, Oregon, Rhode Island, and Puerto Rico) accounting for about 10 percent of all loan guarantees did not provide the Department of Education with GSL income data in fiscal year 1983. As a result, the numbers presented in Table 11 reflect a projection of the data received by the Department to the national total of loans insured by guarantee agencies.

TABLE 11

Guaranteed Student Loan Recipients
(FY 1983)
(percent of total in parenthesis)

Distribution of Recipients by Income	Dependent		Independent		Total	
Less than $15,000	647,872	(34.5)	491,744	(48.9)	1,139,616	(39.5)
$15,000 - $29,999	537,049	(28.6)	244,814	(24.4)	781,863	(27.1)
$30,000 - $44,999	413,009	(22.0)	80,343	(8.0)	493,352	(17.1)
$45,000 - $59,999	147,649	(7.8)	19,687	(2.0)	167,336	(5.8)
$60,000 - $74,999	39,302	(2.1)	3,975	(0.4)	43,277	(1.5)
$75,000+	5,249	(0.3)	521	(*)	5,770	(0.2)
Unknown	89,344	(4.7)	164,545	(16.4)	253,889	(8.8)
Total	1,879,474	(100.0)	1,005,629	(100.0)	2,885,103	(100.0)
Percent of Total	(65.1)		(34.9)		(100.0)	

Total Loans Made* $6,938 million

ACRONYMS, DEFINITIONS, NOTES, AND SOURCES

Acronyms:

CWS	=	College Work Study Program
GSL	=	Guaranteed Student Loan Program
MISAA	=	Middle Income Student Assistance Act of 1978
NDSL	=	National Direct Student Loan Program
SEOG	=	Supplemental Educational Opportunity Grant

Definitions:

Academic Year: July 1 to June 30

Calendar Year: January 1 to December 31

Fiscal Year: Before 1976 - July 1 to June 30
After 1976 - October 1 to September 30

(Note: Fiscal Year 1983 refers to October 1982 to September 1983.)

Income: The term "income" refers to family income before taxes. In the case of a dependent student, it includes his/her parent's income and may include some of the student's income. In the case of independent students, it includes their income and their spouse's income if they are married.

In general, the Pell and campus-based programs use the same definition of family income, while the definition used by the GSL program differs significantly. For the Pell and campus-based programs, family income is a comprehensive measure of the family's income from all sources, similar to the definition of "money income" used by the Bureau of the Census in calculating median family income. The GSL program uses the family's adjusted gross income as is calculated for tax purposes. Adjusted gross income (AGI) is the family's gross taxable income, after "adjustments" (the subtraction of certain expenses such as alimony, business expenses, and IRA/Keogh contributions) and before deductions and exemptions.

Many types of income that are included in the income definition used by the Pell and campus-based programs are not included in AGI. Hence, a given AGI corresponds to a higher "money income." This is especially significant at the lower income levels and implies that, on average, families in our lowest income brackets have more money if we are looking at GSL recipients than if we are looking at Pell or campus-based recipients. Also, income levels reported for these programs are more directly comparable to median family income statistics than are income levels reported for the GSL program.

Notes:

Details may not add to totals due to rounding.

Conversion to constant 1984 dollars: current dollar amounts were converted to 1984 dollars on the basis of the Consumer Price Index for Urban Consumers. The number of recipients in each constant dollar income interval was estimated by linear interpolation of data received from the Department of Education.

Sources:

Campus-Based Aid - U. S. Department of Education, Office of Student Financial Assistance, unpublished tables based on the "Fiscal Operations Report."

Consumer Price Index - U. S. Department of Labor, Bureau of Labor Statistics, cited in The Economic Report of the President, February 1985, p. 291.

Guaranteed Student Loans - U. S. Department of Education, Office of Student Financial Aid, unpublished research tables used to prepare Select National Demographics, GSL and PLUS Borrowers, FY 1983.

Median Family Income - U. S. Department of Commerce, Bureau of the Census, Current Population Reports, Series P-60, various years.

Pell Grants - U. S. Department of Education, Office of Student Financial Assistance, "Institutional Agreement and Authorization Reports" dated 6/11/85, 6/25/85, and 7/4/85, and unpublished research tables used to prepare the "End of the Year Report."